

September 30, 2002

ORGANIZATION: Nuclear Energy Institute

SUBJECT: SUMMARY OF MANAGEMENT MEETING HELD ON JULY 15, 2002,
WITH THE NUCLEAR ENERGY INSTITUTE (NEI) TO DISCUSS NEW
REACTOR LICENSING ISSUES

On July 15, 2002, the U.S. Nuclear Regulatory Commission (NRC) staff and management met with representatives from NEI. The meeting was requested by NEI as a follow-up to the April 1, 2002, meeting and is the second of several periodic meetings between industry and NRC senior management. The main topics of this meeting included: scheduling of new plant activities, status of early site permit (ESP) activities, Title 10 of the *Code of Federal Regulations* (10 CFR) Part 52 process issues, issues related to inspections, tests, analyses, and acceptance criteria (ITAAC), and modular plant issues. A list of attendees is provided as Enclosure 1. The meeting agenda is provided as Enclosure 2.

NEI provided handouts during the meeting which can be accessed through the Agencywide Documents Access and Management System (ADAMS). This system provides text and image files of NRC's public documents. The handouts mentioned above may be accessed through the ADAMS system under Accession No. ML022310314. If you do not have access to ADAMS or if there are problems in accessing the handouts located in ADAMS, contact the NRC Public Document Room (PDR) reference staff at 1-800-397-4209, 301-415-4737 or by e-mail to pdr@nrc.gov.

Prior to the meeting NEI provided a letter to the Commission regarding ITAAC verification dated July 12, 2002, (ADAMS Accession Number ML022000202). The meeting handouts referenced above contain NEI's comments from the July 12, 2002, letter. Meeting highlights are presented below.

Integrated Schedule of New Plant Activities

NEI distributed an integrated schedule (available in meeting handouts) dated July 15, 2002, which contains milestones for activities associated with regulatory infrastructure, ESP applications, combined license applications, and pre-application reviews. The schedule presents the licensing activities for Westinghouse Electric Company's AP1000 reactor design, General Atomics' Gas Turbine - Modular Helium Reactor (GT-MHR), General Electric's New Simplified Boiling Water Reactor (ESBWR), Atomic Energy of Canada Limited Advanced CANDU Reactor ACR-700 design, International Reactor Innovative and Secure (IRIS) reactor, and Framatome's Advanced Nuclear Power reactor SWR-1000 design. NEI stated that the schedule reflects the best available information they have regarding new reactor licensing applications. NRC requested that NEI keep the schedule current as new applicants enter the pre-application process.

Status of Early Site Permit Activities

NEI provided a progress chart for ESP applications and reported positive feedback regarding interactions with the staff. NEI reported that the pace and nature of interactions on ESP issues were progressing well and the monthly meetings between NEI and NRC staff are bringing many issues closer to closure.

NEI presented their plan to develop a tracking system for ESP issues (available in the meeting handouts). NEI stated that they would like to set a 60-day goal to follow-up on ESP issues which includes a one-month follow-up after the issues have been opened and closing one month later. By setting time limits to work through issues, NEI believes the applicants will be able to meet timeliness goals and progress through reviews without significant delays.

NEI discussed their bounding plant parameter envelope (PPE) approach to providing the information required in 10 CFR 52.17. The bounding PPE would serve as a surrogate for the specific facility information and would provide flexibility for future combined license applicants. This proposal was to be discussed in greater detail at the next monthly meeting.

NEI stated that they will consider staggering ESP applications if it will benefit the NRC review process.

10 CFR Part 52 and ITAAC Issues

NEI presented Part 52 process topics with resolution vehicles and time frames (available in the meeting handouts) in an effort to bring closure to many issues. In reference to the "Sign As You Go" process, there is general agreement on the need for a process to provide applicants timely information on construction progress. The NRC stated that there needs to be a disciplined inspection process; while NEI stated that there should be discipline to the regulatory process and finality in the ITAAC sign-off process. NEI requested guidance on when ITAAC will be reviewed and under what circumstances the NRC can withdraw an ITAAC conclusion. NEI requested that the NRC consider alternative language in Section 52.99 as proposed in their July 12, 2002, letter.

NEI stated that it did not agree with the license conditions for low-power testing and full-power operations contained in the generic combined license attached to SECY-00-0092, "Combined License Review Process" (ADAMS Accession Number ML003680823). The NRC encouraged NEI to submit a letter to them regarding their position. NRC pointed out that policy issues where a Commission decision has been made were not open for discussion at this meeting.

Other Issues

NRC asked how industry plans to deal with security issues as a result of September 11 for new designs. The industry replied that they see the opportunity to incorporate new security requirements in the design.

Public Comment

A member of the public requested clarification to the reference of a draft SECY which was mentioned during the presentation and NEI stated that the SECY in question was publicly available and the remark of a draft SECY was stated in error.

Summary

NEI restated that timely progress and closure on essential issues is important to ESP reviews and that the NRC should ensure that there will be adequate resources and effective organization for concurrent reviews. It was agreed by all participants that the NRC and its stakeholders should determine how to make the ITAAC implementation process work efficiently. It was suggested that the use of detailed examples presenting how various elements of the ITAAC implementation process would be performed would help to establish clear guidance in this area. NEI mentioned that they would like to continue to interact with NRC on a frequent basis and determine the best resolution for opposing views.

/RA/

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Office of Nuclear Reactor Regulation

Project No. 689

Enclosures: As stated

cc w/encls: See next page

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Summary

NEI restated that timely progress and closure on essential issues is important to ESP reviews and that the NRC should ensure that there will be adequate resources and effective organization for concurrent reviews. It was agreed by all participants that the NRC and its stakeholders should determine how to make the ITAAC implementation process work efficiently. It was suggested that the use of detailed examples presenting how various elements of the ITAAC implementation process would be performed would help to establish clear guidance in this area. NEI mentioned that they would like to continue to interact with NRC on a frequent basis and determine the best resolution for opposing views.

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MANAGEMENT MEETING WITH NUCLEAR ENERGY INSTITUTE

JULY 15, 2002

T2-B3, 3:00 PM - 5:00 PM

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